

9
BEAUTIES

OF THE

MONOPOLY SYSTEM

OF

NEW JERSEY.

BY

A CITIZEN OF BURLINGTON.

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LETTERS

TO THE PEOPLE OF NEW JERSEY.

LETTER FIRST.

FELLOW-CITIZENS :

New Jersey is the favoured land of monopolies, and the favoured residence of monopolists, the class of men who live by taxes imposed upon the labour of others, and thus compel their neighbours to plough their way through mud or sand, and to live in half-built houses, that they may ride in coaches and live in palaces.

At the northern side of the State, we find a body of "Associates" busily engaged in taxing every man that desires to come, or to bring his merchandise, into the State, and every one that desires to pass out of the State, or to carry his produce to market. The necessary consequence of this is that every farmer pays more for what he consumes, and receives less for what he produces, than he would otherwise do. The amount of taxes imposed by aid of this single monopoly, in money alone, is very large, but if an estimate could be made of the amount resulting from interferences with trade and deterioration of the value of property, it would be found to be enormous.

Near neighbours to the "Associates" we have a lottery monopoly, maintained in defiance of public opinion, by aid of which taxes to an immense amount are imposed upon the *many*, to be squandered by the *few*.

Passing south, we find a monopoly of all the land for miles above and below the termination of a railroad whose owners are bound to carry freight at eight cents per ton, per mile, giving them \$4.80 per ton from Philadelphia to Amboy, to which they add six, eight, ten, fifteen, and frequently have added twenty, dollars for transporting the same ton from Amboy to New York by steamboat; a work that would be richly paid for with a single dollar: and it is to maintain this *right* thus to tax the people of the State, and those who desire to pass, themselves or their merchandise, through the State, that the aid of the Court of Errors is now invoked to set aside the decision of the Supreme Court, under which the monopolists would be limited to a charge only treble or quadruple what would be the rate under a system of free competition.

On the Delaware, we find another great monopoly Ferry Company, whose business it is to tax the men and merchandise that seek to get into Jersey from the south, and the Jersey men who seek to find markets for their produce in Philadelphia.

Greatest among the great, however, stands, Colossus-like, the Canal and Railroad Company. Resting one foot upon the Camden ferry monopoly, the other is securely placed among the associates and lottery-dealers of Jersey City. With its right hand it grasps Amboy, and with its left, Trenton Bridge, and thus it holds almost every avenue by which any Jerseyman can pass out of the State, or any stranger pass into it, while its deputies pick the pockets of all for the purpose of swelling their already enormous revenues.

Were it even here to stop—were it content with the power to tax all passengers four dollars when they should pay but one and a half—or all merchandise with ten or twenty dollars when it should pay but three—or all the produce of the State with twenty cents per basket when it should pay but five—we might perhaps have reason to be satisfied; but with all this they are not still content. On the contrary, we see them grasping at a monopoly of the peach trade, and driving out their competitors by charging forty cents per basket for carrying their peaches to market with their own, and even limiting to a dozen baskets per day, the quantity that may be carried at that enormous price. From this place to Amboy the legal charge on a basket would be six cents. The remaining 34 cents are for transporting it from Amboy to New York, a service that would be abundantly paid with two cents; and the consequence of this course of proceeding is, that the farmer of Burlington sees his peaches rot on the ground, while they grow rich by aid of the monopoly of northern markets thus secured to themselves.

To maintain themselves in the exercise of the valuable privilege of thus taxing their fellow-citizens, these various monopolies are seen constantly aiding, and aided by, each other. If the railroad is attacked, it can rely on assistance from the lottery and ferry monopolists. If the lotteries or the ferries are attacked, they have but to summon the railroad to their aid, and their call is immediately answered. It is one great league for the purpose of taxing you and those of your neighbours who desire to come into, or pass through, the State, and you are repaid *for the millions that you pay by tens of thousands that you receive*, the latter being *less than one-twentieth* of the tax that they, by your aid, are enabled to impose on all strangers, and all merchandise, that cross the State.

The necessary consequence of this is universal bribery and corruption. Legislative votes are bought at the low price of free tickets, oysters and champagne, while the outside support of lawyers, doctors, editors, and politicians, is secured by aid of fees so moderate as to afford a striking proof of the effect of this monopoly system in crippling the growth of a State that should be one of the richest in the Union. Bribery and corruption prevail throughout to a degree unparalleled, as I believe, in the world; and the almost universal reception of fees by the men in whom you, my fellow-citizens, are accustomed to repose confidence, has produced a state of immorality so frightful, that concealment of the fact—the homage elsewhere paid by vice to virtue—is scarcely here deemed necessary, and corruption stalks abroad with an openness and publicity elsewhere totally unknown.

The monopolists govern the State, in fact, whoever may be the

nominal governors. But recently they attempted to place one of their number in the chair of state, and as he was to be the first governor under the new constitution, the bench would have been filled with their creatures, and their control of the State for a long period of years thus effectually secured. Failing in this, they still have other means, always and freely used.

The man who would be treasurer, or secretary, or governor, must conciliate their aid, or he cannot be elected. Senators and members of Congress, and Attorney-Generals must obey their orders, or they cannot be re-elected, or re-appointed. Every one must go, cap in hand, to the lottery men, and the associates, and the railroad men, and the canal men, and as a portion of the "consideration" to be given for their support, must agree to have "eyes that see not, and ears that hear not," and thus far that condition has been fully complied with. Governors have shut their eyes to frauds that were obvious to all around. Treasurers have shut their eyes when extraordinary returns have been presented, contenting themselves with receiving whatever was *admitted* to be due the State. State Directors have shut their eyes when *reports* were to be made in conflict with *returns* that were on file and open to their examination. Attorney-generals have shut their eyes to the grossest violations of law; and all this has been done because no one could be elected governor, or treasurer, or state director, or attorney-general, without the aid of the monopolists. To this it is due, fellow-citizens, that it has been left to this late day, to have exposed to view the frauds and impostures of the great monopoly. That such frauds have existed, has been no secret, as the records of your Chancery Court afford abundant evidence. Your State Directors expressly inform you that rumours were abroad of "improper management of the funds of the companies," and they certify that they were thereby induced to make a "strict and thorough examination" of the accounts, yet did they indorse other accounts constructed for the express purpose of deceiving your representatives in the Legislature, as would have been obvious to them had they possessed even the most moderate knowledge of the manner in which such accounts should have been made out.

The time has arrived, fellow-citizens, for terminating a system under which you are taxed more heavily than any other of our countrymen. To that taxation it is due that Jersey is one of the poorest States in the Union, possessing the worst roads and the fewest of them, and the worst schools and the fewest of them, when she should be one of the richest, with the best and most numerous roads, the largest and best schools, such as she will have when she can rescue herself from the grasp of these "patriotic" monopolists who build palaces at your expense. The time has arrived. The election is at hand, and as you have now to select the men whose duty it will be to inquire into the proceedings of these great and little monopolies, I address you these letters, with a view to state briefly a few of the facts that I have recently exhibited, *with the proofs*, in a review of an "Address" of the Canal and Railroad Managers.

The Company is bound to pay duty upon all persons and all merchandize that "cross the State," that is, upon all that pass between the waters of the Raritan and the Delaware, whether from Philadelphia, Camden, Burlington, Bordentown, or Trenton, to New

Brunswick or Amboy, or from the two latter places, to Trenton, Bordentown, or any other place on the Delaware, and to insure the correctness of the returns for the payment of this duty, it is required that they be verified by the oath of the Treasurer. In like manner, the Canal Company is required to make returns of the quantity of coal, lime, and other *inferior articles*, upon which the duty is two cents per ton, and that of produce and merchandise generally, termed *superior articles*, upon which the duty is eight cents per ton. These returns are likewise required to be verified by the oath of the Canal Treasurer.

From 1833 to 1839, the managers made no report to the stockholders or the State. In January, 1840, they made a general one for the whole period, in which they gave many figures but little information. In 1841, they made none. In 1842, being in difficulty, they made a very little one, in which they very briefly stated the number of passengers, and the gross receipts, the expenditure, and the amount of the net profit, for the two years then just passed. In the three following years they made similar statements, giving in a few words and figures the quantity and results of their business. From that time forward the practice was abandoned. At length, in January last, they concluded to make a general statement for the past eight years, to *cover up* the business for that time, and it is by comparison of the report then made with the little and insignificant ones made in former years, and with the returns made to the State, that the following results are obtained.

In the report to the stockholders for 1838, the number of persons carried "across the State" is given at 164,520. In the return to the State, it is given at 126,688.

In the report to the stockholders for 1840 and 1841, the number of *through* passengers is given at 325,500, while the return to the State of all the *through and way* that crossed the State is only 325,526. In the report to the stockholders for 1843, the number carried "from city to city" is given at 163,073, while the return to the State, certified to embrace all that passed "across the State," is 165,296, leaving only 2,223 to represent the large way trade.

In the report to the stockholders for 1844, the number that passed "from city to city" is given at 200,840½. In the return to the State the whole number of *through and way* that crossed the State is given at 200,841, and thus the way passengers, the excursion passengers, and all others that "crossed the State" without going "from city to city," are dropped, although the returns *sworn to by the Treasurer*, expressly state that they include all those who passed between the towns and cities on the Delaware and the Raritan.

For the years subsequent to 1844 we have nothing but the great report, but a comparison of the various parts of that report with the small ones to which I have referred, renders it, as I think, perfectly certain that the *through* passengers alone have been returned, and that all those who passed from Camden, and Burlington, and Bordentown, and Trenton Bridge, and Trenton City to the waters of the Raritan, and from the waters of the Raritan to those of the Delaware, have been omitted. Nevertheless, there must have been filed in the office of the Treasurer of the State, during those years, no less than twelve returns, each of them *authenticated by the oath or affirmation of the*

Treasurer, professing to give an account of all the passengers between the waters of those rivers!

It became necessary, at the close of the last year, to enable the State Directors to make a report, and it was equally necessary that it should be so arranged as to make it appear that the way passengers paid duty, and yet not to have it conflict with another report that was to be made to the Stockholders for the purpose of *covering up* the proceedings of the past eight years. Accordingly, a very detailed table of passengers and half passengers was given, by which it was made to appear that in the *eleven* months from January 1st, to December 1st, there were carried only - - 219,601

Whereas, by the returns on file in the Treasurer's office, there were carried in the first *nine* months, - 203,925

And thus there would appear to have been carried in the months of October and November, always months of very considerable business, only - - 15,676

Leaving for the month of December, perhaps the dulllest in the year, [to make up 265,169, the total number returned for duty - - - 45,567

Being three times as many as in the two previous months, and one sixth of the whole year's business!

It would occupy too much space here, fellow-citizens, to explain fully the reasons for *fabricating* this statement in precisely the form in which it was given, and I can only now say that it *was* necessary in order to make it correspond with the report that was to be made to the Stockholders, in which the number of through passengers was given as follows:

1840,	153,112 $\frac{3}{4}$	1843,	138,027	1846,	200,096 $\frac{3}{4}$
1841,	153,876 $\frac{3}{4}$	1844,	168,541 $\frac{1}{2}$	1847,	222,921
1842,	140,725	1845,	188,884 $\frac{1}{2}$		

We have seen that the number of "through passengers" carried in 1840 and 1841, was - - - 325,500

In the eight years' report of 1848, those years are *razee'd*, the first to 153,112 $\frac{3}{4}$, and the second to 153,876 $\frac{3}{4}$, making, - - - 306,989 $\frac{1}{2}$

And thus are *nearly* 19,000 passengers dropped out.

We have also seen that the number carried "from city to city" in 1843, was 163,073, and in 1844, 200,840 $\frac{1}{2}$, making together, - - - 363,913 $\frac{1}{2}$

In the eight years' report these numbers are cut down, the first to 138,027, and the second to 168,541 $\frac{1}{2}$, making together, - - - 306,568 $\frac{1}{2}$

Here more than 57,000 have dropped out!

The number of through passengers in 1847, *could not* have been less than that reported for transit duty, as it exceeds by less than one-third the number *we know* to have passed in 1844, and, therefore, we may, with entire confidence, set it down at - - - 265,169

In the eight years' report it stands thus, - - - 222,921

Forty-two thousand having dropped out!

It was necessary to enable these State Directors to make a report, and it was necessary to make it appear as if

the way-passengers did pay transit duty. It was further necessary to avoid reference to the great way-business of the Trenton road, and, therefore, none was given but that which passed on the Amboy road, and perhaps only a part of that. As the through passengers were to be reported to the Stockholders at 222,921, it is obvious that it would not do to give those of the first eleven months at more than we find in the State Directors' report, to wit: - - - - 210,395 $\frac{1}{2}$

Leaving for the month of December, - - - 12,525 $\frac{1}{2}$
Which is rather less than the true proportion.

Assuming here, as I think may safely be done, that *the returns* for 1845, '6, and '7, embrace the *through* passengers alone, we may now compare the business actually done, with that reported to the Stockholders to have been done.

The little *reports* give for the years from 1840 to 1844, inclusive, as the number of through, - - - 833,521 $\frac{1}{2}$
The *returns* for 1845, 1846 and 1847, give - - - 731,717

1,565,238 $\frac{1}{2}$

The eight years' report gives the through passengers at 1,363,175 $\frac{5}{6}$

Deficiency, - - - - 202,062 $\frac{4}{6}$

Here we have 202,063 through passengers *dropped out of the accounts*, and as they must have been of the first class, we may put them down at \$3 each, making - - - \$606,189

Thus explained, the business of this Company becomes somewhat comprehensible. Without such explanation it would be impossible that it should be comprehended, as I will now show. The number of through passengers carried in 1839, a year of great mercantile distress, was 181,479, of whom not more than thirty thousand could have been second class, leaving for first class, say - 151,479

The number of first class carried in 1846 and 1847, years in which everybody travelled, is stated in the eight years' report to have been 301,343, giving an average for those two great years of only 152,171

It would thus appear, were we to believe the Managers' reports, that the business of the Company had remained stationary during 8 years, in which the population of this country had increased thirty per cent., and while the business of all other Roads had increased in a ratio still more rapid. Thus the Baltimore and Ohio Road which in 1839 carried on its "main stem" westward, only 152,501 passengers paying but about \$1 15cts. each, carried in 1846, 280,264, paying nearly \$1 50 each, and in 1847, 288,974. On its Washington branch the change was as follows: 1839, 84,964; 1846 and 1847, 308,911—average of the two, 154,455.

The Road from Philadelphia to Baltimore, which has few second class or way passengers, carried nearly twice as many in 1847 as in 1839. The Road to Pottsville gave in 1839 employment to some two or three stages, while in 1847 its trains carried nearly 50,000 passengers. Thus, on all the roads leading south and west, the business had almost doubled, while these Managers would have us believe that on

this great line of communication, when steamboats and trains seemed to the eye to be carrying thousands where before they had carried hundreds, the business had experienced no increase!

I proceed now to the returns of merchandise carried on the Railroad.

In the report of 1840, we are informed of the rapidly increasing amount of the way business, a large portion of which went from the waters of the Delaware to those of the Raritan, but if we look to the returns for the payment of duty, we shall not find it.

The through merchandise of 1840 and '41, according to the little reports, amounted to 25,786 tons. The whole quantity upon which duty was paid, amounted to only 26,076, leaving 290 only for all the way trade of two years. In 1842, the through merchandise was 14,226 tons, being precisely the quantity returned for the payment of duty, which of course excluded all the way traffic. In 1843, the quantity carried from city to city, was 25,508 tons, while the whole quantity upon which duty was paid, was only 21,035 tons! Here, all the way traffic, in addition to 4,473 tons of through merchandise, must have been smuggled.

In comparing the general report to the stockholders made this year, with the little reports made in former years, we find the same extraordinary discrepancies that have been observed in regard to the passengers. The former gives the through merchandise of 1842, at 13,200, and that of 1843, at only 19,511 tons, while the latter give 1842 at 14,226, and 1843 at 25,508, the difference of these two years being above 7000 tons, which at the rates then charged, must have yielded above \$100,000.

We may now be morally certain, starting from 1843, with 25,508 tons, that in 1845, for which we have not the aid of the small reports, there must have been carried "through" more even than was returned for transit duty, though even that was

That 1846 must have been more than	-	-	27,508
That 1847 must have been more than	-	-	29,912
That 1847 must have been more than	-	-	43,333

And, therefore, that so far are these quantities from embracing any of the way freight subject to transit duty, that they do not even embrace the whole of the through upon which it should have been paid. If 4,473 tons could be smuggled through in 1843, how much more easily could 10,000 tons have been smuggled through in 1847, and that they were so smuggled, I entertain no doubt. The only evidence to the contrary afforded to the State, is the oath of the Treasurer; and what value can be attached to statements certifying, even upon oath, that there passed only 21,035 tons of through and way, while the Managers were publishing little reports, to be read by a few Stockholders, and to aid in raising the value of the stock, in which it was certified that there had been carried 25,508 tons? There can be none.

LETTER SECOND.

FELLOW-CITIZENS:—

I come now to the Canal, always the scene of the most profitable of the operations of these Managers.

The returns made to the State have been as follows:

	Superior.	Inferior.		Superior.	Inferior.
1835	31,670 tons.	26,059 tons.	1842	35,338 tons.	187,949 tons.
1836	36,109	52,357	1843	41,407	198,641
1837	36,004	86,483	1844	58,398	291,446
1838	53,089	66,585	1845	64,470	398,263
1839	41,261	86,136	1846	32,840	380,691
1840	45,515	126,603	1847	109,661	588,740
1841	45,337	129,546			

Before proceeding to the examination of the reports of the Managers in relation to this trade, I must beg you, fellow-citizens, to pause for a moment and examine this statement. By it, it would appear that the quantity of grain, flour, iron, and general merchandise that passed in 1846, was scarcely more than in 1835, and *less by almost forty per cent. than in 1838!* To such of you as have witnessed the wonderful increase of steamboats employed in carrying and towing merchandise to the Canal, and the number of steamboats passing through the Canal loaded with merchandise, and the number of barges heavily laden passing on it, this must appear most extraordinary. What all these large boats, and small boats, and barges, and the men employed in them, can have been doing, is a mystery to me, as it must be to you. On a very moderate estimate, the machinery employed in 1846 was certainly *eight times greater* than in 1838, and the business transacted was *two-fifths less!* These Managers are strange people. They have spent many hundreds of thousands of dollars of company money in building boats, and they and their friends have invested vast sums in building other steamboats and capacious barges, all intended for the transportation of merchandise, and yet *so far as we are to judge by the returns for the payment of transit duties*, the business done is not as great as when they owned only three or four little and insignificant freight boats, whose joint cargoes would not equal those of the Independence and Burlington. enlarged as they have been at heavy cost. It is, certainly, a wonderful company!

The report of 1840, while professing to give the fullest information, gives *not one word* as to the business that had been done on the Canal, or the receipts from it, but it does inform us that the Company had advanced "on good security" the large sum of \$117,000 to parties engaged in business connected with it. Who those parties were, or what was the security, we are not informed, but we can readily see that this immense sum has disappeared, not one word being said in reference to it in the great report of 1848. The common impression is, that it was lent to one of the principal Managers, and this may account for the ease with which it has dropped out of the accounts. On turning to the tables appended to the report, we find the receipts and expenditures of six years, given in six lines, with not a word of explanation of any kind! Such are the copious reports of these Managers!

In all the reports from 1840 to that of 1848, not one word is said of the really important business of this work—the transportation of merchandise—but the quantity of *coal* carried through it is regularly enlarged on, the Managers doing here as they have always done, talking most of those things which are least in their minds. Why

the coal business is talked of, and the merchandise business is not, will, I think, soon become apparent to you, my fellow-citizens, and you will then begin to agree with me that we have a large account to settle with these Managers.

I now ask your attention to the following extraordinary fact, which proves, conclusively, if indeed proof could be needed, the deception that is practised by these men, addressing at one moment the State, and at another the stockholders.

The State is told that the quantity of superior articles passed in 1847 was 109,661 tons.

In the report to the stockholders of January last, they were told that there had been carried on the canal within the year,

24,710 tons of iron, - - - - -	24,710
86,041 tons of maize, - - - - -	86,041
93,132 barrels of flour, } which, converted into tons we	8,900
552,621 bushels of grain, } find to give - - - - -	13,800
Total,	133,451

And thus while the report to the collector of transit duties, *sworn to* by the Treasurer of the Company, gives less than 110,000 tons, that made to the receiver of dividends admits above 133,000, and even that is less than the truth by almost 100,000 tons, for in this account there is no mention made of all the vast quantity of dry goods, groceries, &c., in the transportation of which were employed the numerous barges and steamboats belonging to the Company, to the Managers, and to other persons who are admitted to participate in the profits of the monopoly.

Having thus examined 1847, we may now examine 1846.

By reference to the statement of returns for transit duties *sworn to by the Treasurer*, you will see that 414,531 tons passed in that year, yet I have now before me a report to the Stockholders certifying that 424,702 tons did pass. Even were there no more than this, here would be above 10,000 tons, the duties upon which would be about \$300. This, however, as I will now show you, is a mere trifle.

By the returns, *sworn to by the Treasurer*, there passed in the first six months of that year, 12,798 tons of superior merchandise, and in the last six months 20,042, making a total of 32,840 tons.

Of the value of these returns you may form some idea, fellow-citizens, from the fact that there are now in the Custom Houses of Philadelphia and New York, 179 manifests of cargoes that passed through the canal in the months of April, May, and June, 1846, and those cargoes averaging, as nearly as I can estimate them, 150 tons each, making 26,850 tons in the period for which the returns are only 12,798 tons; and even these are scarcely more than half the number that should be there, as a large portion of the boats and barges owned by these Managers never report to the Custom House, although liable to seizure for neglect or refusal so to do.

You, all of you, fellow-citizens, know that 1848 is a very dull year, and that 1846 was a very busy one, and I will now afford you proof conclusive of the value of these returns by affording you an opportunity to compare those filed since the public attention has been drawn to the subject, with those filed in 1846, when it was held to be

the duty of all the persons charged with the management of your affairs to keep their eyes closed.

The amount of merchandise returned as having passed on the canal in the two first quarters of the present year is as follows :—

First quarter, superior,	-	2,989 tons.	Inferior,	9,945 tons.
Second do. do.	-	37,416 do.	do.	189,958 do.
Total,	-	40,405		199,903

The growth of this business is really wonderful! In the busy and prosperous year 1846, the quantity of superior merchandise carried in six months was 12,798 tons, while in the dull and unprosperous year 1848, the same period gives 40,405, *or more than treble the quantity.* The whole year 1846 gave but 32,840, while the half of 1848 gives 40,405! Verily, the State is likely to profit largely by the light that has been thrown on the business of this Company. In 1846, the return for the last half year was about 50 per cent. greater than the first half, and if the same result should be obtained this year, *as certainly will be the case,* there will be returned above 100,000 tons against 32,840 in 1846, *while the trade on all other canals and roads of the country is falling off.* Such is the almost marvellous result of bringing light to bear upon the proceedings of this Company.

That you may now appreciate in full the value of all accounts furnished by these Managers, I invite your attention to the following extract from the little report made in 1842.

Receipts of the railroad and canal for the year 1840.

	Gross.	Expenditure.	Net.
Railroad, - -	\$565,540 69	\$244,636 59	\$320,904 10
Canal, - -	79,467 94	40,769 62	38,698 32
	<u>\$645,008 63</u>	<u>\$285,406 21</u>	<u>\$359,602 42</u>

If we now turn to the same year in the general account given to the Stockholders in January last, we find the receipts of the railroad *cut down* to \$548,173 87, the expenditures *increased* to \$265,457 77, and the net receipts of the year reduced to \$321,414 02, making a difference of the enormous sum of above \$38,000! I have already shown that the trade and travel are cut down in a manner to correspond with this.

In the same biennial report, we find the following for 1841.

	Gross.	Expenditure.	Net.
Railroad, - -	\$678,711 79	\$306,029 69	\$372,682 12
Canal, - -	81,543 44	49,509 09	32,034 35
	<u>\$760,255 23</u>	<u>\$355,538 78</u>	<u>\$404,716 47</u>

The report made in 1848 gives the following figures for the same business:

\$631,559 12	\$336,153 76	\$295,405 36
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Making a difference in the net receipt of the year of above \$109,000, and in the two years of \$147,000! You will now be able, fellow-citizens, to judge of the value of the statements furnished by these Managers, your partners in this great monopoly.

Coming now to the year 1842, I can furnish the following extract from the little report made for that year.

	Gross receipts.	Expenditures.	Net receipts.
Railroad, - -	\$645,700 20	\$279,961 02	\$365,739 18
Canal, - -	90,334 25	53,012 32	37,921 93
	\$736,034 45	\$332,973 34	\$403,061 11

In the eight years' account, these figures stand :

\$725,670 14	\$339,082 25	\$386,586 89
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The difference here is less than \$17,000. Here we have in three years the enormous sum of \$164,000 *cut out of the accounts*.

The little report of 1841 gives as the net surplus				
After deducting all the interest,	-	-	-	\$215,116 79
That of 1842 says that the amount subject to dividend, is	-	-	-	209,527 17
That of 1843 says	"	"	"	253,748 29
That of 1844 says	"	"	"	282,497 00
				\$960,889 25

All corresponding to a cent with the quantities given by the State Directors ; and yet if we take the eight years' report we find the net profits to be as follows :

1841—\$295,405 36— <i>minus</i> interest,	\$189,599 68	\$105,805 68
1842 386,586 89 " "	193,533 84	193,053 05
1843 444,325 56 " "	189,357 04	254,968 52
1844 485,929 15 " "	186,930 30	279,014 85
And dividend to Trenton Company,	19,984 00	
		832,842 10

The difference in the *five* years from 1840 to

1844, between the two sets of accounts is, above	\$166,000 00
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If further evidence be now desired of the worthlessness of all the accounts furnished by these managers, it will be obtained by comparing the gross receipts of various years. During the whole period of the existence of this Company there has been no change in the rate of fare ; and during the whole the Managers have insisted on their *right* to charge from six to fifteen or twenty dollars per ton for transporting merchandize from Amboy to New York, giving them from ten to twenty-four dollars per ton from city to city. It is therefore obvious that for every additional first-class passenger there should have gone into the Treasury the sum of three dollars, and for every additional ton of merchandize at least ten or twelve dollars. The number of passengers and weight of merchandize carried in the following years, are thus given in the Report of 1840, and the annual reports to which I have referred. The gross receipts are taken from the general reports of 1840 and 1848.

	Passengers.	Merchandise.	Gross Receipts.
1836,	163,731,	12,504,	\$770,621,
1837,	145,461,	10,642,	731,995,
1838,	164,520,	11,765,	754,989,
1839,	181,479,	13,520,	685,329,
1840,	162,690,	11,207,	548,173,
1841,	162,810,	14,579,	550,015,
1842,	144,108,	14,226,	635,335,
1843,	163,073,	25,508,	695,111,
1844,	200,840½, <i>at least</i>	30,000,	780,709.

The average business of the first four years was 163,798 passengers and 12,109 tons of merchandise, with a very small way business. In 1838, the market line commenced to run occasionally with two cars. In 1839, it had commenced to run daily, the business having increased beyond all expectation.* With this business, the *gross receipts* for these four years averaged - - \$735,734

In 1840 and 41, as we see, the through business was almost exactly the same, and the way business had *greatly increased*, and yet the receipts were *less* by above \$185,000, averaging only - - - - - 549,094

In 1843, the travel was the same, the through freight was *greater* by 13,000 tons, that must have yielded \$150,000, and the way business was *greater* by at least \$50,000, and yet the gross receipts *as admitted*, were *less* by above \$40,000, having been only - - - 695,111

In 1844, the business was *greater* by 36,320 passengers, that at only \$2.62½ each must have given - - - \$95,340

18,235 tons of freight, which, at \$12, gave - - - - - 218,820

The way trade and travel had increased at least - - - - - 70,000

To which are to be added the earnings of the tug boat Amboy, built in 1843, say, - - - - - 25,000

\$409,160

And yet, with all this vast increase of business, the *gross receipts* exceed the average of the four years from 1836 to 1839, by only \$45,000, the amount *admitted* to have been received being only - - - - - \$780,709.

There is certainly nothing in the history of railroads in this country or elsewhere to match this. It may, however, be matched by a comparison of the expenditures, which I will now very briefly give:

Average business of four years from 1836 to 1839.	Expenditure.	Business of 1847.	Expenditure.
163,798 passengers, }	\$334,036.	222,621 passengers, }	\$741,917.
12,109 tons mdze. }		36,707 tons mdze. }	

The additional passengers need not have cost an additional dollar. The additional freight could not have cost \$20,000, for it was all taken during near the whole year 1847, by a single boat to and from

Bordentown, and to and from Amboy, and the extra cost was merely that of carrying it between those two places, and yet we have here an increase of expenditure amounting to above \$400,000, without any improvement in the roads or bridges, which are now, as I believe, in a far worse condition than they were ten years since.

In 1840, the Managers predicted to the State and other Stockholders that with an increase in the next seven years, such as had been realized in the then preceding ones, "the net profits" would be "\$1,042,000, from which deducting the interest on the loans, viz., \$190,000," would "leave the sum of \$852,000, or a dividend of upwards of 28 per cent. per annum." The business *done* has increased much faster than was then anticipated, and had the business *accounted for* increased in the same ratio, the year 1844 would have seen the Company realizing the prediction, yet in that year the dividend was eight per cent. instead of *twenty-eight*!

We have, fellow-citizens, a large account to settle with these Managers, and we shall obtain a settlement for the vast amount of back duties and dividends, that remain unpaid, whenever you shall determine to send to the Legislature, honest, intelligent, and independent men, who know their duties and dare perform them.

LETTER THIRD.

FELLOW-CITIZENS;—I have now given you a sketch of the contents of my Review of the "Address" of these Managers, brief indeed, but sufficient, as I think, to satisfy you that the administration of the affairs of the Company is distinguished by fraud and imposture in a degree unparalleled in this, if indeed in any other, country. That review closed with the following challenge:

"If, however, they should really think that they have cause to complain of what I have said, it will afford me pleasure to meet them before three honest, intelligent, and independent men, with their books and papers; and if I do not then prove all that I have asserted, I will consent to be branded as a libeller, and will submit to any penalty that may be awarded, confessing judgment on the instant. All this can be done in a single week from the day of publication of these letters, and thus reparation will follow closely on the heels of wrong."

After the delay of more than a fortnight, this challenge remaining unaccepted, I learned that these Managers, unwilling to submit their papers to "honest, intelligent, and independent men," were about to select from among their friends a committee to examine such papers and such persons as they might think fit to produce before them, and to obtain from them a *white-washing report*. Thereupon I addressed to you a letter denouncing the scheme, and stating my opinion that no man of honour could, under the circumstances, consent to make part of such a committee, and that were such an one applied to, his answer would be—"You are already challenged to appear before honest, intelligent, and disinterested men, in the selection of whom you will have equal part with your accuser, and if you do not accept that challenge, it is because you fear the decision of such men. You therefore desire a committee to be packed by yourselves, that shall give a favourable verdict, whatever may be the state of the facts. Of

such a body, I can form no part. The time has not yet arrived when men charged with crime are to be allowed to *select and pay the judges and jurors by whom they are to be tried*. Seek elsewhere for men to form your committee of investigation, and *seek them among those who prefer wealth to reputation*."

Such, I was well satisfied, would be the reply of *every honest man*, and I prayed you then to mark the men who might consent to make parts of this *honourable committee of white-washers*, and to trust them not, either now or ever.

After that letter was in type, I received the following communication :

Bordentown, N. J., Oct. 2, 1848.

Sir,—The undersigned have been requested by the joint board of Directors of the Delaware and Raritan Canal and Camden and Amboy Railroad Companies of the State of New Jersey, to act as a Commission, to investigate certain charges preferred against the said Company, its Directors and Officers, in pages 10 and 11, of a pamphlet entitled, "A Review of an Address of the Joint Board of Directors of the Delaware and Raritan Canal and Camden and Amboy Railroad Companies, being a series of Letters addressed to the People of New Jersey, by a Citizen of Burlington." Feeling it to be a public duty to accept this trust thus tendered to us, we met this morning at this place, to enter upon the investigation. From the tenor of the letter addressed to us by a committee of the Board, under which we act, we find full power is delegated to us to conduct the business in such way as may seem most proper. Exercising this discretion, we have thought it right to ask if you are the author of the said pamphlet, and if so, to invite you to meet us on Thursday next, at Bordentown, at 12 o'clock, at noon, to the end that you may have the opportunity of sustaining those charges before us, and of pointing out the foundation upon which they rest. The books and papers of the Company will be in our hands, where they will be subject to your inspection.

This communication is made to you from the generally received opinion, that you are the author of the pamphlet, and because that author has expressed in the letters a desire to be present, to prove the assertions made. Your answer is requested, directed to Mr. King, one of the undersigned, at New York.

Respectfully, your obedient servants,

SAMUEL MAIRS,	JAMES G. KING,
CHARLES PARKER,	WM. PENNINGTON.

P. S. If for any reason, you cannot attend on Thursday, we name the next day (Friday), for the meeting.

To Henry C. Carey, Esq.

Monstrous as it seemed that persons charged with the commission of such acts should be allowed to select their own judges and jurors, my first determination was to meet them. Reflecting, however, that the charges that I had made were accompanied by proof drawn from their own documents, or that when that was not the case, I had pointed out where the proof could be found, I concluded that if the Committee wished to find the truth they *could* do so without my aid, and that if they did not so wish they *would* not find it with that aid.

I therefore determined not to meet them, and addressed to them the following letter :

Gentlemen—By yours of yesterday, handed to me in Philadelphia, late last night, I learn that you have been appointed by the Directors of the railroad and canal companies on a commission “to investigate certain charges” that I have preferred against them, and that you will be prepared to afford me an opportunity for “substantiating those charges,” &c. &c.

It has not been, so far as I am informed, usual in this or any other State of the Union, for persons charged with acts involving the commission of crime, to select the judges or the jurors by whom they would be tried, as is, in this case, proposed to be done. When it shall become so, the accused will probably remain at large, while the prisons will be filled with unfortunate witnesses and accusers, and such would probably be the case in the present instance, were I to recognise the tribunal that it is attempted thus to establish. I do not, and therefore must decline the invitation to appear before you.

I have offered these Managers to meet them before “three honest, intelligent, and independent men,” then and there to prove the charges I have made, as I stand now prepared to do. Instead of promptly accepting that challenge, they send me, after the lapse of weeks, a letter, signed by *four persons selected by themselves*, of two of whom I never heard before, with no one of whom have I the slightest acquaintance,* and all of whom are, as I think, totally disqualified for the “trust” they have accepted, by the very fact that they are the nominees of the parties accused. You *may* be such men as I have described, but I do not know the fact, and I confess that I feel myself greatly at a loss to understand how “honest, intelligent, and independent men” could have been willing to accept the appointment with which you have been honoured, having my challenge, unaccepted, staring them in the face.

Let these Managers unite with me in the selection of men who will be universally admitted to possess the qualifications required for the duty to be performed, and let those men have full power to call for persons and papers, and I shall not need a second summons to come before them. Anything short of this will be regarded by the public and myself, as a *mere farce*.

Having heard, several days since, of the intention of these men to *select from among their friends* a committee by which they would be *willing to be tried*, I forthwith addressed a letter to the people of the State, denouncing the scheme in the terms I thought it merited. That letter is already printed in the Burlington Gazette, and a copy of it shall be enclosed herewith. As your letter contained the first information as to the names of the friends who were to be selected, it will be obvious that nothing personal to any of you was intended by

Yours respectfully, HENRY C. CAREY.

To Messrs. J. G. King, Wm. Pennington, Samuel Mairs, and Charles Parker.

Burlington, Oct. 3, 1848.

* This was an error. I had met Mr. Mairs, as State Treasurer, but had forgotten his

P. S. It being my intention that my position in this matter shall be fully understood, I shall furnish copies of both of these letters to some of the newspapers, in the hope that they will be copied throughout the State.

The course of this committee, if they desired to understand the truth, was now perfectly plain. They should have appointed two of their number to meet two persons selected by me, all of whom could then unite to choose an umpire in case of any difference of opinion. Instead of this, they proceeded to the work, to which they have devoted, as I understand, the leisure of a week or fortnight, during which they made, as I suppose, "a strict and thorough examination" of the accounts, somewhat similar, I presume, to that made last year by the State Directors, and are now prepared to report. Such an examination could be nothing more than a farce, for without previous preparation it would be impossible for any man, however skilled in accounts, to make a thorough examination in three months.

This course of proceeding did, at first, surprise me; but my surprise disappeared when I came to understand more accurately the composition of the committee. One of them is, I understand, largely interested in the ferry monopoly of Jersey City, which taxes every man that desires to come into the State, or to get out of it. That company is, as I understand, intimately connected with the lottery monopoly that, conjointly with the ferry and railroad monopolies, rules the State. Another of the committee is, as I am told, Counsel to one of these monopolies. Two of them held offices of honour and profit at the time when many of the frauds upon the State charged against the Company were committed; and as the proofs of those frauds were then far more accessible to them than they now are to me, the admission that they were committed would be an admission of gross neglect of duty on their part. Some of them, I am told, act as *outside* legislators when these monopolies are to be defended, or when their privileges are to be increased. One of them holds an office of honour and profit at the pleasure of the Legislature; and as these monopoly companies govern the State, he may be said to hold it at their pleasure. Such is, I understand, the composition of the committee, by which these Managers have been willing to be tried. It is a mere representation of the various *cliques* that have so long governed the State; and being such, I am not surprised to learn that the accounts have now been "thoroughly examined," and that a report will shortly appear in which it will, I doubt not, be shown: first—that "maize"* means cloth, and hardware, and groceries: second—that the reason why the number of persons who travelled "from city to city," was precisely the same as that which "crossed the State," was, that in those years the persons who lived in Camden and Burlington, and Bordentown, and Trenton, and Amboy, and New Brunswick, unanimously determined to remain at home, and none but through passengers "crossed the State:" third—that in October and November, 1847, almost all the people who usually travelled in October and November, postponed their journeys until December: fourth—that the canal boats

*See the account of the business of the canal, given at page 10.

whose manifests are in the custom house, preferred to go by sea to New York, and therefore did not pass through the canal: fifth—that the reason why, in the general account of 1848, the receipts of various years are *greatly diminished*, and the expenditures *greatly increased*, is because of the adoption of a new mode of keeping the accounts: with other equally valuable information. It will be, as I understand, when it passes from the factory at Bordentown, where it is said to be now in preparation, a complete *white-washing* report. Had it been intended to be otherwise, the “trust” would not have been, as I think, accepted. It will have, however, one good effect. It will effectually convince the world of the indispensable necessity for a “complete and thorough examination” by “honest, intelligent, and independent men.”

So soon as it shall be published, I am, as I learn, to be indicted for libel; and that course is to be pursued, that I may not be permitted to give the truth in evidence. *The greater the truth, the greater the libel*, and as I have told you a great quantity of truth about matters in which you are largely interested, I must have been guilty of an enormous libel, entitling me to a liberal amount of punishment. The report is not yet ready, but in anticipation of its appearance, the Attorney-General has been applied to, that he may be prepared to proceed immediately on its publication. That officer has his option to prosecute *them* for frauds upon the State, or *me* for publishing those frauds to the world; and it is probable that he will prefer the latter, in deference to the ferry, and lottery, and railroad monopolists, who have thus far governed the state; and who will continue to govern it until you, my fellow-citizens, shall determine *to elect to no office of honour or profit, any man, however great his name, interested in any of these tyrannical and oppressive, grasping and rapacious monopolies*, nor any man who consents to lend himself, *whether as committee-man, or outside legislator*, to the maintenance of their existence.

The question that I have undertaken, fellow-citizens, to discuss, is *the great question for New Jersey* to decide. It is tenfold more important to you than that which is to be settled at the approaching presidential election, and to its discussion the press should be perfectly open, whereas it is so completely muzzled that it is next to impossible that a word of truth should reach your ears. The position you occupy is admirable, and the State would become one of the richest of the Union, could it relieve itself from the control of these railroad kings, who are sucking its heart's blood, and boldly assert its freedom to make roads when and where it pleased. I pray you, therefore, to examine carefully with me that position and your present policy, with a view to determine what shall be your course in future.

You have the great highway of the Union, with a great city on your right and left; and millions of people, and millions of tons of merchandise, superior and inferior, would cross the State annually, could it be done rapidly and cheaply. You have desired, however, to tax your neighbours, and with that view have granted to this fraudulent Company a monopoly of the trade and travel across the State, by aid of which they are enabled to demand \$4 when they should be satisfied with \$2; and thus you impose a tax of \$2 on your neigh-

bours, in order that you may get ten cents, *whenever they please to pay it*. You claim fifteen cents on a ton of merchandise, and they take \$10 or \$20 when they should have \$3, and they pay you your share, *or not, at their pleasure*. You claim 8 cents on another ton: they take \$6 when they should have \$1 50, and then pay you, *or not, at their pleasure*. You are doing what is not, I think, right; but the great grievance lies in your manner of doing it, by which you impose heavy taxes on others to get little for yourselves.

The real grievance lies in the monopoly, and not in the transit duty. That alone would be unthought of. It matters little to the traveller whether he pays \$2 or \$2 10, and as little to the trader whether he pays \$3 or \$3 15; but the difference between \$2 and \$4, and between \$3 and \$15 is great, and hence it is that there exists throughout the Union so much feeling on the subject.

The monopoly privilege was unconstitutional, beyond a question. If any doubt this, let them read the opinion of Chief Justice Taney.* No body of legislators can tie up the hands of their successors. Those of 1830 chartered roads to run where they pleased, and their successors may also charter roads to run where they please.

By the charter of the Company it is provided that on the completion of another road across the State, the transit duties shall cease; and there are many of you, fellow-citizens, that would hesitate to abolish this monopoly lest you should lose the pitiful sum now paid into the treasury. It is pitiful, for you pay dollars where you receive cents.

The Company is now, however, in your hands, to be dealt with as you please. You granted them a charter on certain conditions, which have not been complied with. They have charged far more than you allowed them, and have paid you far less. They were to make honest returns, which they have not done. They were to pay you 10 cents on passengers, and 15 and 8 cents on merchandise, which they have not done. You have now abundant evidence that they have not done these things, and that you can have no reliance upon their ever doing them. Their charter is null and void, and you

* "I cannot think that a legislative body, holding a limited authority under a written Constitution, can, by contract or otherwise, limit the legislative power of their successors. The power which the Constitution gives to the legislative body, must always exist in that body until it is altered by the people, and cannot be restricted by a mere legislative act. If they can deprive their successors of the power of chartering companies of a particular description or in particular places, it is obvious that upon the same principle they might deprive them of the power of chartering any corporations, for any purpose whatsoever; and if they might, by contract or otherwise, deprive their successors of that legislative power, they could surrender any other legislative power whatever in the same manner, and bind the State for ever to submit to it. The existence of such a power in a representative body has no foundation in reason or in public convenience; and is inconsistent with the principles upon which all our political institutions are founded. * * * In my opinion, therefore, the agreement contained in the act of March 2, 1832, is not binding on the State of New Jersey, so far as it proposes to restrain future legislative bodies of that State from authorizing the construction of a railroad within the limits mentioned in the act of Assembly. And the legislature may now lawfully grant the power to make such a road to any company already incorporated, or hereafter to be incorporated. * * * Every one is so far presumed to know the law, that in ordinary cases, civil or criminal, he is bound as if he did know it. The Corporation, therefore, ought not to have relied on a pledge which they were bound to know the legislature had not the constitutional power to give. If they have done so, they must abide the consequences."—*Judge Taney's Opinion*.

have but to declare it so, and the roads and canal will then become common property, to the infinite advantage of the State—or you may now, if you will, make new terms with the Company, requiring them for ever, on condition of being permitted to exist, to conform to all laws made for the government of other railroads, and then pass a general law authorizing the construction of other roads throughout the State, and requiring all who pass between the waters of the Delaware and those of the Raritan to pay the same duty that is now collected. The direct effect of such a measure would be the construction of several roads, and the reduction of the tolls to a rate so moderate as to quintuple the amount of transportation of men and merchandise, and to give you \$300,000 where now you have but \$57,000. You would thus reduce the taxes on your neighbours and yourselves, while giving to yourselves the facility of reaching your natural markets at small cost for freight or passage. The consequence would be that all the lands of the State would be trebled in value, and your towns and cities would grow, and rents would rise, and universal activity and energy would take the place of the torpor and inactivity by which the State is now distinguished. Your sons would cease to run away to the West, for factories would be built, and large farms would be divided into small ones, each yielding more than is now yielded by the whole; and their occupants would become rich, and your daughters would be married, and you yourselves would be surrounded by happy children and grandchildren.

Look at it in whatever light you may, fellow-citizens, you will see reasons for exertion. The cause of truth, of morality, and of justice requires it. Your own future happiness and prosperity, and that of your children and grandchildren, require it. The character of the State requires it. Rouse yourselves, then, and determine to send to the Legislature none but good and true men, such as can be relied upon to look to your interests and those of the State: men who will not “falter” in their “duty” to their constituents: men who will “lay their hands” on these “charters,” and say to these Managers: —“You have violated your contract, and it is at an end. You hold your existence at our pleasure. We are ready to make terms with you, and to put you on as good a footing as others, but no better. We will make roads when and where we please, and we will tax travellers and merchandise if we please, and you must pay the same taxes as others; and if you are not satisfied with this, your own power to collect tolls upon your roads and canal shall cease.” Do this, fellow-citizens: send to the Legislature such men, and the Union will soon cease to complain of the State, while the State itself will grow so rich as to cease to need transit duties.

Honour, honesty, common sense, truth, and justice point in the same direction—to the abolition of the monopoly. Follow in it, I pray you, fellow-citizens, and for so doing you will receive the blessings of your children and of your children’s children.

A CITIZEN OF BURLINGTON.